

## **PaySchools Update for Customers**

Memo: March 19, 2010

The PaySchools program has successfully served school districts for over five years. We want all customers to know that the program is operating efficiently and that we continue to work on enhancing it as it evolves.

The Iowa Association of School Boards operates the PaySchools program through our wholly-owned for-profit subsidiary, LGS. IASB has been in the news recently regarding some internal investigations of our finances; we are working with our auditors to evaluate whether there are any issues, and to resolve any that do exist.

We want to assure PaySchools customers that your funds are deposited into a separate bank account from the association. There is no evidence of impropriety regarding those funds. We hope that PaySchools is meeting all of your service needs. If you have any questions, please contact the following people.

Paul Kruse, Iowa financial services marketing director, [pkruse@ia-sb.org](mailto:pkruse@ia-sb.org) or (800) 795-4272  
Pat Ricci, national marketing director, [pricci@payschools.com](mailto:pricci@payschools.com) or (281) 545-1957

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### Other information:

We are still reviewing all of the financial details for the PaySchools program. PaySchools is currently processing transactions for schools in 32 states (see list below). There are 4 additional states where PaySchools has school contracts in place but the schools are not currently processing transactions.

### Active States:

AK  
AZ  
CA  
CO  
CT  
FL  
GA  
IA  
IL  
KS  
LA  
MA  
MD  
MI  
MN  
MO  
MT  
NC  
ND  
NE  
NJ  
NY  
OH

OK  
OR  
PA  
SD  
TN  
TX  
UT  
WI  
WY

The states that we have contracts but are inactive are:

IN - no transactions processed

NV - 12/09 was the last active month (February 2010)

VA - 3/09 was the last active month (February 2010)

WA - 4/09 was the last active month (February 2010)